

**Istanbul, 14 April 2020**

**Circular No: 54**

**Subject: Draft law containing the planned economic measures within the context of the new coronavirus outbreak submitted to the parliament.**

The Law for Reducing the Impacts of the New Coronavirus (Covid-19) Pandemic on Economic and Social Life and the Law Regarding Amendments to Certain Laws” has been submitted to the Turkish Grand National Assembly on 14 April 2020. The Draft Law contains the following in sum:

1. Providing cash support to the workers sent to unpaid leave and cannot benefit from short-time working allowance and also who are not eligible for unemployment benefits when dismissed,
2. Banning the termination of any employment contract by the employer for 3 months, except in cases of violation of ethical and goodwill rules,
3. The parts of annual announcement and advertisement taxes and annual environmental cleaning taxes (corresponding to the aforementioned periods) of the enterprises with activities stopped or unable to operate will not be taken.
4. Municipalities may postpone the water bill debts for residences and workplaces for 3 months,
5. Extension of the duration of seaworthiness certificates issued to merchant ships and inspections until 1 August 2020,
6. Extension of the validity period of licenses granted under the Agricultural Products Licensed Warehousing Law by one year,
7. Permitting the dealing of activities carried out in R&D and design centres and Technology Development Zones outside the region temporarily.

Also, through the Article 11 of the Draft Law, restrictions are planned to be introduced to dividend distribution by capital companies until 30 September 2020. Accordingly, it will be decided to distribute only 25% of the net profit for the period of 2019 until 30 September 2020 in equity companies. Previous year profits and free reserves cannot be subject to distribution and the general assembly will not be able to authorize the management board to distribute dividend advances.

*Our explanations provided above include general information on the issue. No responsibility can be claimed against EY and Kuzey YMM ve Bağımsız Denetim A.Ş. due to the implications arising from the context of this document or emerging with respect to its context.*

Best Regards,  
KUZEY YMM VE BAĞIMSIZ DENETİM A.Ş.